GOVERNMENT OF ANDHRA PRADESH <u>ABSTRACT</u>

Agriculture and co-operation Department-Horticulture-Oil Palm- Fixation of Formula for the Pricing of Oilpalm Fresh Fruit Bunches for the Period $\mathbf{1}^{\text{st}}$ November 2014 to $\mathbf{31}^{\text{st}}$ October 2015 - Orders - Issued.

AGRICULTURE AND COOPERATION (HORTI. & SERI.) DEPARTMENT

<u>G.O.MS.No. 2</u> <u>Dated: 18-02-2015.</u> <u>Read the following:-</u>

- 1) From the Under Secretary, Government of India, Ministry of Agriculture, Agriculture and Co-operation Department Lr. F.No: 12/22/2010 (TMOP) -376 dated 13.08.2013
- 2) From Dy. Secretary, Government of India, Ministry of Agriculture, Agriculture and Co-operation Department Lr. Dt. 07.11.2013.
- GO Ms. No 110, dated 13.12.2013, A&C (Hort.) Department, Govt. of A.P.
- 4) G.O Rt. No. 10, dated 05.01.2015, A & C (Horti. & Seri.) Dept. Govt. of A.P.
- 5) Minutes of the Meeting held on 06-01-2015 with Selected Committee Members from the Oilpalm Developers and Processors Association and AP State Oilpalm Farmers welfare Association in the Chambers of Hon'ble Minister for Agriculture, Horticulture, Govt. of A.P., AP Secretariat, Hyderabad.

ORDER:

For the regulation of the Production and processing of the Oil Palm, the Andhra Pradesh Oil Palm (Regulation of Production and Processing) Act was enacted on 23.01.1993 where in under section 13(1) of the act, the Government is empowered on their own to fix the minimum Price to the Oil Palm Fresh Fruit Bunches (FFBs) or may be authorized to the Oil Palm Commissioner to do so, subject to such guide lines as they may give in that regard from time to time.

2. In the reference 1st read above, the Government of India recommended the formula for pricing of Fresh Fruit Bunches (FFBs) of Oil Palm as follows:

"13.54 percent of net Crude Palm Oil (CPO) weighted average price, based upon 18% Oil Extraction Ratio (OER), plus 75.25 percent on 9% recovery of palm kernel nuts weighted average price. Any variation in OER would result in change in the pricing formula in respect of percent of net CPO weighted average price to be paid to the oil palm growers as per Table given below:

The OER would be determined as per actual oil content extracted in the past by the processing industry, as established by the State Government concerned"

The Table mentioned above is as follows:

S. No	OER %	Percentage of net CPO weighted average Price 75:25	
1	14.00	10.53	
2	14.50	10.91	
3	15.00	11.29	
4	15.50	11.66	
5	16.00	12.04	

6	16.50	12.42
7	17.00	12.79
8	17.50	13.17
9	18.00	13.54
10	18.50	13.92
11	18.70	14.07
12	19.00	14.30
13	19.50	14.67
14	19.70	14.82
15	20.00	15.05
16	21.00	15.80
17	22.00	16.55
18	23.00	17.31
19.	24,00	18.06

- 3. The Government of India, Ministry of Agriculture, Agriculture and Co-Operation Department vide letter 2^{nd} read above, has directed the State Governments to go ahead with the operationalisation of the pricing formula for Fresh Fruit Bunches (FFBs) as per recommendation by the Government of India vide letter 2^{nd} read above.
- 4. In the Joint meeting held on 06-01-2015 with selected Committee Members from the Oilpalm Developers and Processors Association and A.P.Oilpalm Farmers Welfare Association in the chambers of Hon'ble Minister for Agriculture and Horticulture, Government of Andhra Pradesh detailed deliberations were held on all the issues and views expressed by all the stake holders on the matter. After taking into consideration of all the above facts and circumstances it was decided to consider the 17.55% OER obtained by the Oil Palm Processing Unit, Aswaraopet, A.P.Oilfed during the Oil Year 2013-14 as the A.P.Oilfed is not yet bifurcated.
- 5. The quantity of FFB processed, the CPO obtained at Aswaraopet unit of A.P.OILFED for the Oil Year 2013-14 is as follows:

S.	Month	Qty of FFB	Qty. of CPO	% of OER
No.		processed	obtained MTs	
		MTs		
1.	November, 2013	2569.560	491.090	19.11
2.	December, 2013	2088.275	402.420	19.27
3.	January , 2014	3792.775	722.835	19.06
4.	February, 2014	2970.000	574.870	19.36
5.	March, 2014	3800.000	708.695	18.65
6.	April, 2014	5380.000	979.480	18.21
7.	May, 2014	7560.000	1307.915	17.30
8.	June, 2014	6905.000	1156.270	16.75
9.	July , 2014	8320.000	1239.805	14.90
10.	August, 2014	8700.000	1475.125	16.96
11.	September, 2014	8960.000	1582.580	17.66
12.	October, 2014	5592.605	1053.290	18.83
	Total	66638.315	11694.375	17.55

6. After taking into consideration all the facts, circumstances and after careful examination of the matter, Government hereby fix the following Formula for the pricing of Oilpalm Fresh Fruit Bunches with effect from 01-11-2014 to 31-10-2015 (Oil Year) under section of 13 (1) of the A.P. Oil Palm (Regulation of Production and Processing) Act 1993:-

"13.20 percent of net Crude Palm Oil (CPO) weighted average price realized by the APOILFED, Pedavegi Unit (Based on the actual OER of 17.55 % recovered for the Oil Year 2013-14 by the OILFED Aswaraopet Unit) Plus 75.25 percent on 9% recovery of Palm Nuts weighted average price realized by APOILFED".

7. The Commissioner of Horticulture, Government of Andhra Pradesh shall take necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

V.USHA RANI, COMMISSIONER OF HORTICULTURE & EX-OFFICIO SECRETARY TO GOVERNMENT (H&S)

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The Commissioner of Horticulture, Govt. of AP, Hyderabad.

The Managing Director, APOILFED, Hyderabad.

Copy to:

The Oilpalm Developers and Processors Association

through Commissioner of Horticulture, A.P., Hyderabad.

The A.P State Oilpalm Farmers welfare Association

through Commissioner of Horticulture, A.P., Hyderabad.

The P.S. to the Special Secretary to Chief Minister.

The P.S Minister for Agriculture & Horticulture. SF/SC.

//FORWARDED BY ORDER//

SECTION OFFICER